

## UZBEKISTAN

Capital: Tashkent  
 GDP per capita: \$626  
 Population: 24,400,000

Inflation: 29%  
 Unemployment: .6%  
 Foreign Direct Investment: \$226,000,000

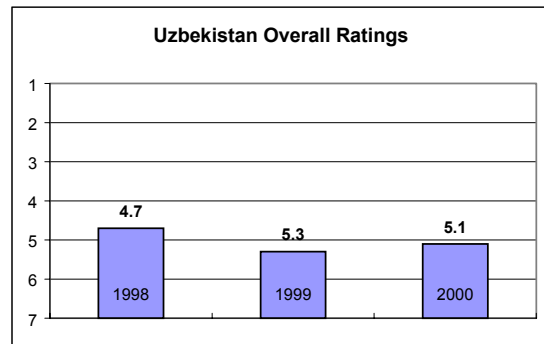
### OVERALL RATING: 5.1

There are currently 469 active, independent NGOs in the country. There are also quasi-governmental NGOs (GONGOs), which exist in significant numbers and vary widely in their capacity. While the NGO community is diverse, organizations specifically promoting women's rights, health care, and environmental issues are able to excel in their fields, largely because their themes echo those supported by the government. Self-censorship exists in the NGO community and the media. Most NGOs are weak in constituency building, tend to be small, are often led by a few dynamic personalities, depend on foreign donors for financial support, and lack transparency in both their governance structures and finances.

The bombings in Tashkent in February 1999 produced an oppressive political atmosphere, which has limited the ability of NGOs to take a leading role in advocating for political changes. Presidential and parliamentary elections, held in January 2000 and December 1999 respectively, were considered neither free nor fair by international norms. NGOs played only a marginal role in monitoring and supporting candidates.

A new national law on Non-Commercial Non-Governmental Organizations (NNOs) was passed in 1999 that better defines the forms and rights of NGOs. For the most part, this law has eased the NGO registration process, but there remains intense confusion among regional authorities concerning implementation of the law. Such confusion limits the ability of NGOs to register in certain regions of the country. Proper implementation of the 1999 law, in addition to the passage of a law on Charitable Activities, would allow Uzbek NGOs to recover costs or provide services for a fee, aiding their efforts at sustainability.

Although the majority of NGOs are still located in Tashkent, Nukus, and Samarkand, the past year has witnessed a substantial growth of NGO activity in other regions. The Ferghana Valley, Bukhara, and surprisingly, the remote southern region of Kashkadyo, all witnessed recent growth in the NGO sector. NGOs and other grassroots initiative groups are also beginning to emerge in truly rural areas. NGOs have yet to develop in the Surkhan



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daryo and Khorezm regions. In areas outside of Tashkent, the attitude of the local government towards NGOs largely determines the ability of NGOs to work effectively.

### LEGAL ENVIRONMENT: 5.4

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Great confusion exists about a 1999 law regarding Non-Profit Non-Governmental organizations. While the law promotes and empowers NGOs, it has not been implemented. Interpretation of the law varies from region to region. Accordingly, the level of tolerance of the 14 regional branches of the Ministry of Justice largely determines the ability of NGOs to register in their regions. Confusion about the law does not only exist among local officials, but among many NGOs as well, thus impeding work. Many local authorities meddle in the charters of NGOs, dictating terms of their registration.

In at least one region of the country - Karakalpakstan - however, local government officials, including members of the local parliament, have proven to be strong supporters of the NGO community. In this part of Uzbekistan, NGOs have by and large not encountered difficulty (aside from financial) either in registering or in conducting their activities.

Politically, NGOs practice self-censorship, dealing only with those themes that are safe from a government perspective. Recent political events have had a chilling affect on human rights in the country. While human rights violations in Uzbekistan have not directly affected NGOs, they certainly limit the ability of NGOs to act as open advocates for political change.

Tax breaks for NGOs exist for limited activities by women's and environmental organizations. These tax breaks are limited, however, and are insufficient. The government often considers grants from international donors as profit, and therefore taxes these funds. GONGOs are exempt from taxes, but grassroots NGOs created through civic initiative are not. Fear of taxation and harassment by the tax police are permanent sources of stress for service providing NGOs.

### ORGANIZATIONAL CAPACITY: 5.3

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Few organizationally sophisticated NGOs exist in Uzbekistan. The missions and goals of local organizations are generally based on the objectives and missions of the international donor community, although some recent improvement has been noted in this area. Most NGOs lack adequate strategic planning

skills and instead base most of their activities on the whims of donors.

Boards of directors and broad-based volunteerism have yet to be developed. Charismatic and dynamic personalities dominate NGO leadership, and can sometimes be inflexible and resistant to trans

parency and sharing control of the organization with a board. Accountability and governance are the main challenges to constituency building.

A handful of NGOs retains a permanent paid staff, but staffing is generally dependent on the acquisition of donor assistance. When no donor funds are available, many

NGOs work without a permanent staff.

Rurally based NGOs have emerged over the past year, which is encouraging, as a majority of Uzbekistan's population lives in rural areas. Such organizations are more dependent on constituency support than international support and, thus, better reflect the needs of their communities.

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### FINANCIAL VIABILITY: 5.5

The lack of convertibility of Uzbekistani currency and poor laws related to the taxation of NGOs is a serious constraint on the financial viability of NGOs. The lack of convertibility limits the financial transparency of organizations, many of which receive grants in dollars from foreign donors, even though this is technically illegal.

With a few notable exceptions, NGOs in Uzbekistan are entirely dependent on international donor assistance. Local donors are rare, but their

number has increased over the past year as NGOs have increased their prominence in society and the media. Some NGOs receive small, off-the-books donations by local businesses and citizens. In a few instances, the government has also awarded grants to NGOs for specific projects, but the majority of these grants go to GONGOs. Currently, NGOs can generate income in a fee-for-services manner, but many organizations are hesitant to develop this practice until the tax codes are amended to adequately stipulate their regulation.

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### ADVOCACY: 5.2

Uzbekistani NGOs are promoting their causes through advocacy campaigns to a greater extent. Generally only the most developed NGOs are involved in advocacy efforts. Organizations working at a local level tend to be the most successful in such endeavors, as authorities in the capital do not tolerate national advocacy campaigns.

Given the current political environment, there are few political lobbying efforts.

In January 2000, the Parliament formed a committee on NGO issues and activities, theoretically providing NGOs with a direct channel to lobby the government. However, thus far the committee is seen as a rubber stamp body (as is the rest of parliament), where lobbying efforts are unfruitful. The creation of such a committee, however, demonstrates the increased lobbying power and social visibility of NGOs.

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By law, NGOs are forbidden to play an active role in politics, but some NGOs attempt

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### **SERVICE PROVISION: 4.5**

NGOs are aware of the needs in their communities, but are not always able to meet them, in part because strict taxation laws virtually prevent NGOs from generating income through service provision. The current tax law taxes all income gained by NGOs through service provision. As a result, NGOs are largely dependent on international donors for financial support, thereby removing incentives for marketing.

to participate in limited political activity, such as monitoring elections.

Crisis centers, known as trust centers in Uzbekistan, are notable in the service provision sector. The number and abilities of such crisis centers to respond to people in need has developed significantly over the past year. A network of such centers has been established and centers in various regions of the country work together in close cooperation, sharing experiences and training staff members in collaboration.

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### **INFRASTRUCTURE: 5.0**

Both the quantity and quality of Uzbeki trainers has improved in the past year, although their numbers still remain insufficient to meet demands. While Uzbek-speaking trainers are available, training materials in the Uzbek language are lacking. In addition, materials from other NIS countries must be adapted to suit the culturally Islamic and socially conservative situation in Uzbekistan. Few NGOs implement activities to increase their technical capacity; rather, they perform services to attract donor attention and potential funding. Local grant-making organizations are barely functional.

NGO Support Centers exist in a limited number of regional capitals. Coalitions and networks are still rare, as few NGOs desire partnerships with others in an atmosphere of scarce donor resources. However, efforts to create coalitions in certain sectors, such as the environmental sector, have emerged during the past year. A strictly government-controlled GONGO led by the deputy Prime Minister for women's issues has outwardly sought to control any coalition organized in the women's sector, thus limiting any potential to advocate independently of government control.

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### **PUBLIC IMAGE: 4.8**

Press coverage resulting from the passage of the 1999 law on Non-Commercial Non-Governmental Organizations truly bolstered the public image of NGOs. Following the passage of the law, NGOs re-

ceived increasing attention from the local media. However, some perceptions per-

sist that many NGOs simply exist to attract large donor grants. There is still some apprehension in the public that a non-governmental organization is one that is anti-governmental.

Previously, NGOs had to pay bribes to journalists to attract publicity. This

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practice has ceased and journalists regularly cover NGO events in the capital city and in the regions. Organizations are publishing more materials that are available to

the public, thus increasing their public stature. On the other hand, self-regulation mechanisms are not yet developing.